

**GAO**

United States General Accounting Office  
Washington, DC 20548

17375<sup>4</sup>  
Office of  
General Counsel

In Reply  
Refer to: A-65768

March 16, 1981

Mr. Larry L. Simms  
Acting Assistant Attorney General  
Office of Legal Counsel

DLG 02952  
Do not make available to public reading room

Dear Mr. Simms:

On January 7, 1981, we forwarded to the Attorney General for his consideration a [final regulation to amend the Federal Claims Collection Act Standards] which are issued jointly by the Attorney General and the Comptroller General pursuant to Section 3 of the Federal Claims Collection Act of 1966 (31 U.S.C. § 982). On January 29, 1981, the President issued a Memorandum directing agencies to postpone the promulgation of any final rules for 60 days from the date of the Memorandum.

Although the Comptroller General is not bound by the terms of the Memorandum, the Attorney General is bound by its requirements. Consequently, we were informed by Ms. Carol Williams of your staff that these regulations are not to be signed until the expiration of the 60-day moratorium. However, we question the need to wait 60 days to sign the regulations since the Memorandum specifically exempts from its requirements matters relating to agency management (paragraph 5(d)). We note that there is nothing in the Memorandum requiring that the regulations relating to agency management must be issued by the agency affected. That these regulations relate to agency management is clear.

The Federal Claims Collection Standards prescribe:

"\* \* \* standards for the administrative collection, compromise, termination of agency collection, and the referral to the General Accounting Office, and to the Department of Justice for litigation, of civil claims by the Federal Government for money or property. Additional guidance is contained in Title 4 of the General Accounting Office Manual for Guidance of Federal Agencies. Regulations prescribed by the head of an agency pursuant to section 3 of the Federal Claims Collection Act of 1966 will be reviewed by the General Accounting Office as a part of its audit of the agency's activities." 4 C.F.R. § 101.1



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In keeping with this purpose, we have proposed amending the Joint Standards to provide that Government agencies should consider the use of private debt collection agencies to recover debts owed the Government. We hope that this will have some impact on the public by encouraging those owing the Government money to repay it. However, the primary impact of the regulation is on Government agencies which in managing their debt collecting activities are asked to consider using this means of collecting debts when appropriate.

We were informed by Mr. William Nichols, the General Counsel of the Office of Management and Budget (OMB), that in order for our request to be considered for exemption from the Memorandum it must be forwarded through your office and accompanied by any comments or recommendations you may wish to make to OMB. We hereby respectfully request that this be done.

Sincerely yours,



Harry R. Van Cleve  
Acting General Counsel